Welcome to the

2009 Harbor Lyceums on Economic Development "Gloucester 2020"

Gloucester 2020

What jobs and investments are possible for Gloucester's future economic success?

- Begun in June 2008 with Harbor Listening Posts that defined community values
- Carried forward with endorsed 2009 Harbor Plan
  - Fishing Industry
  - Visitor-based Economy
  - Maritime Economy
- Today: exploring implications for the local economy

A lyceum for each of the three existing base industries

– Maritime Commerce and Industry

October 8th American Legion

– Visitor-based Economy

October 15th City Hall

– Fishing Industry

October 22nd City Hall

You are invited here tonight to participate In the work in progress

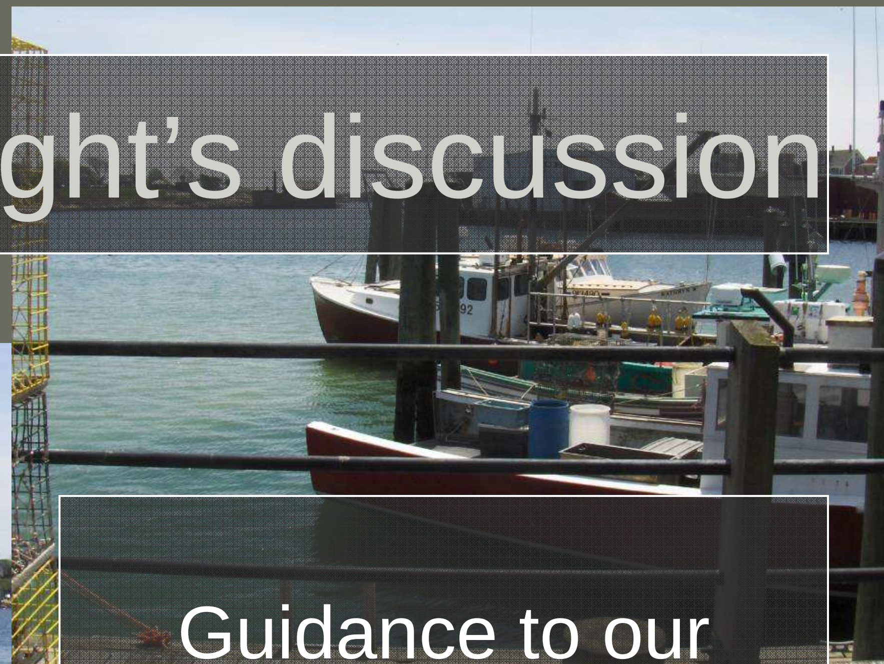
Purpose of each lyceum

To learn about the development potential of each base industry

To discuss the desirability of industry development relative to criteria established by the community

To brainstorm approaches to promoting desirable forms of development

Outcome of tonight’s discussion



Guidance to our consultants
in formulating
development and
marketing
strategies

Tonight's Agenda

- Presentation of a discussion paper on ***current status and future prospects*** 45 minutes
- Facilitated Group Discussion 45 minutes

Please welcome

Our Economic Development Consultants

Peter Kwass and Michael Kane
Mt. Auburn Associates

Developing Gloucester's Visitor-based Economy: Opportunities & Challenges

October 2009

Contents of Tonight's Presentation

- Objectives
- Overview
- Visitor Attractions
- Market Trends
- Opportunities & Challenges
- Discussion

Objectives

Overview

Visitor Attractions

Market Trends

Opportunities & Challenges

Discussion

Objectives

- Provide overview of visitor economy.
- Identify larger trends influencing local industry's future.
- Define major opportunities & challenges.
- Provide basis for discussion about economic role, scale & direction of visitor economy development.

Objectives

Overview

Visitor Attractions

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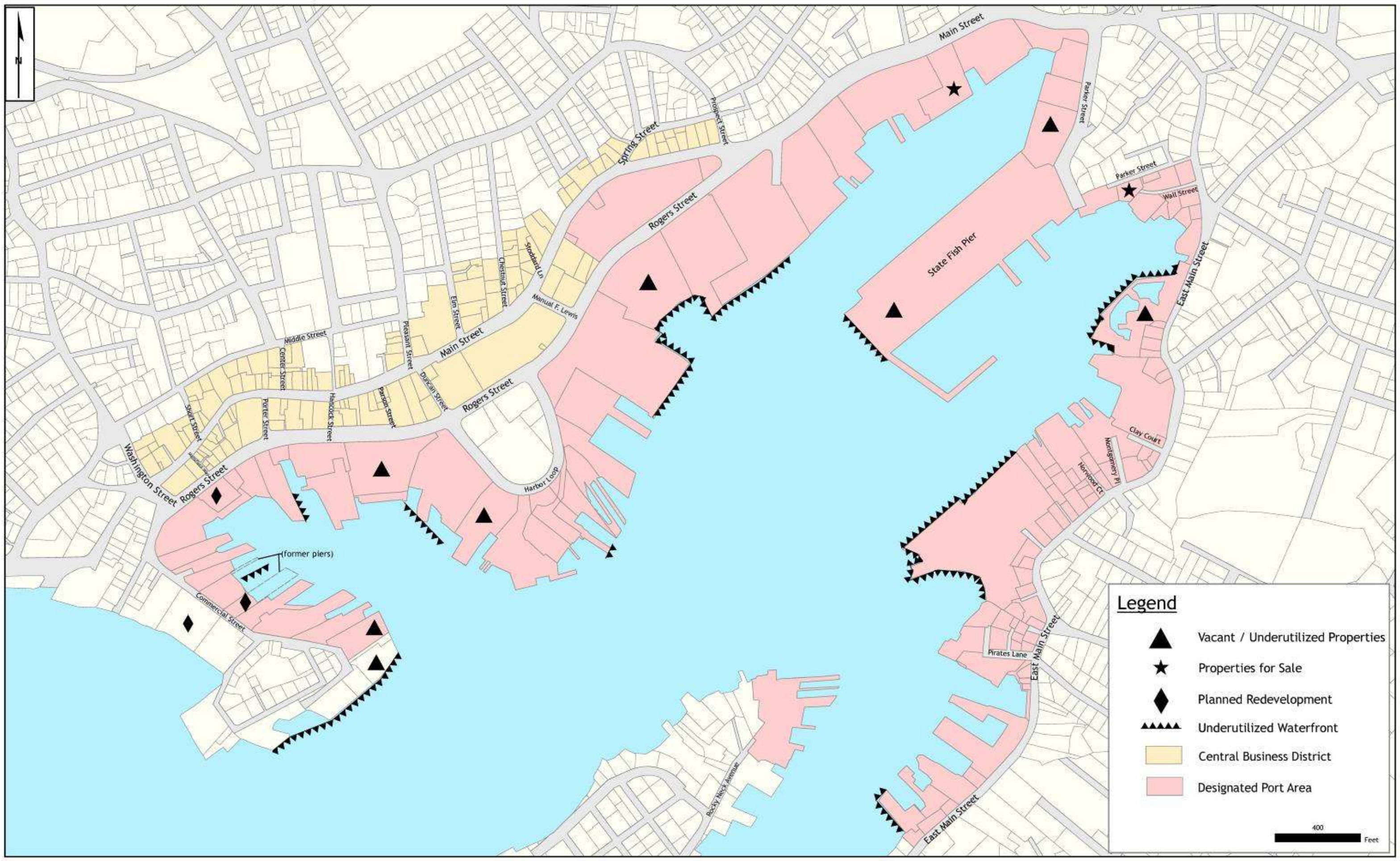
Opportunities & Challenges

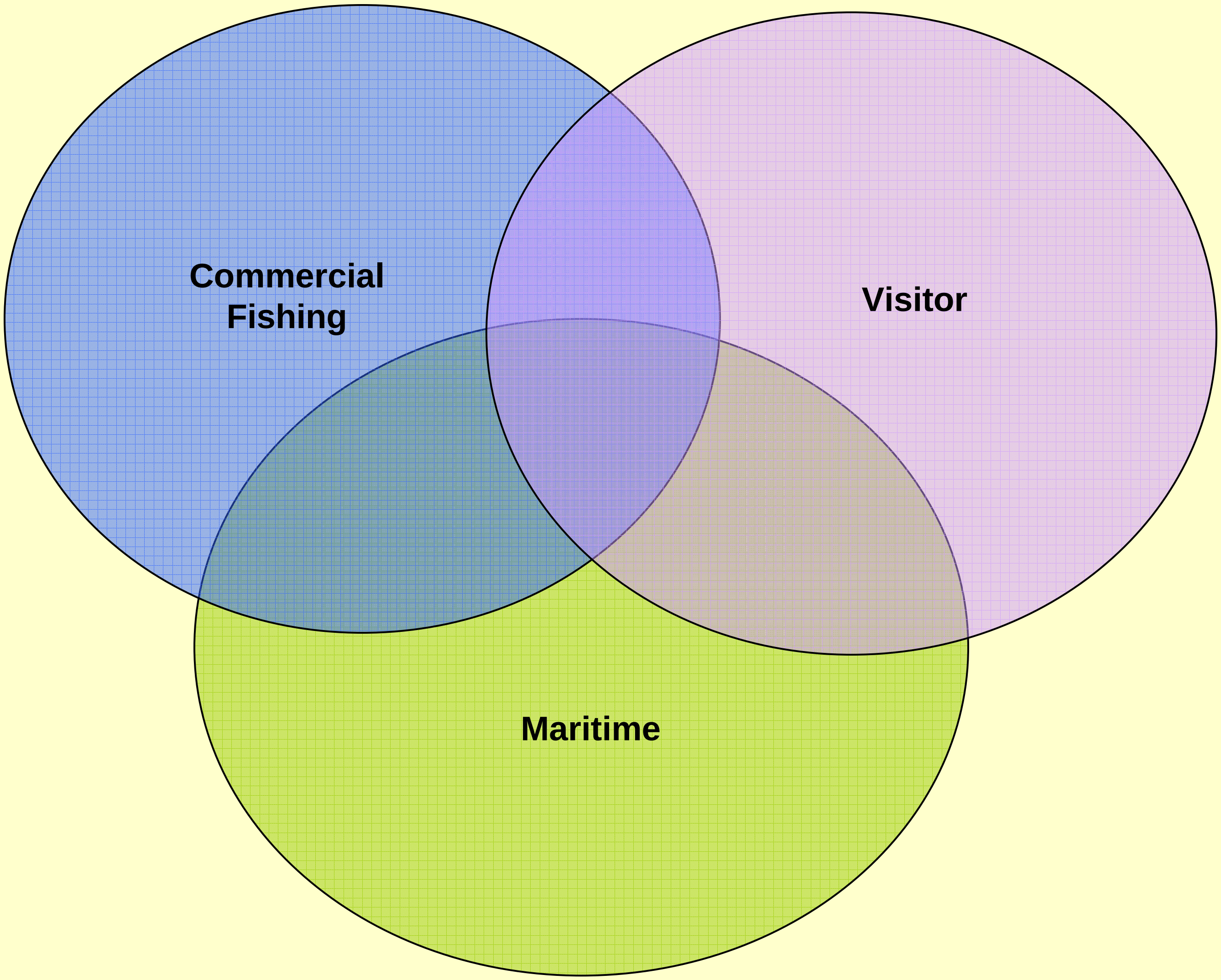
Discussion

The Study Area

Gloucester Economic Development Plan



The 3 Legs of the Harbor Economy

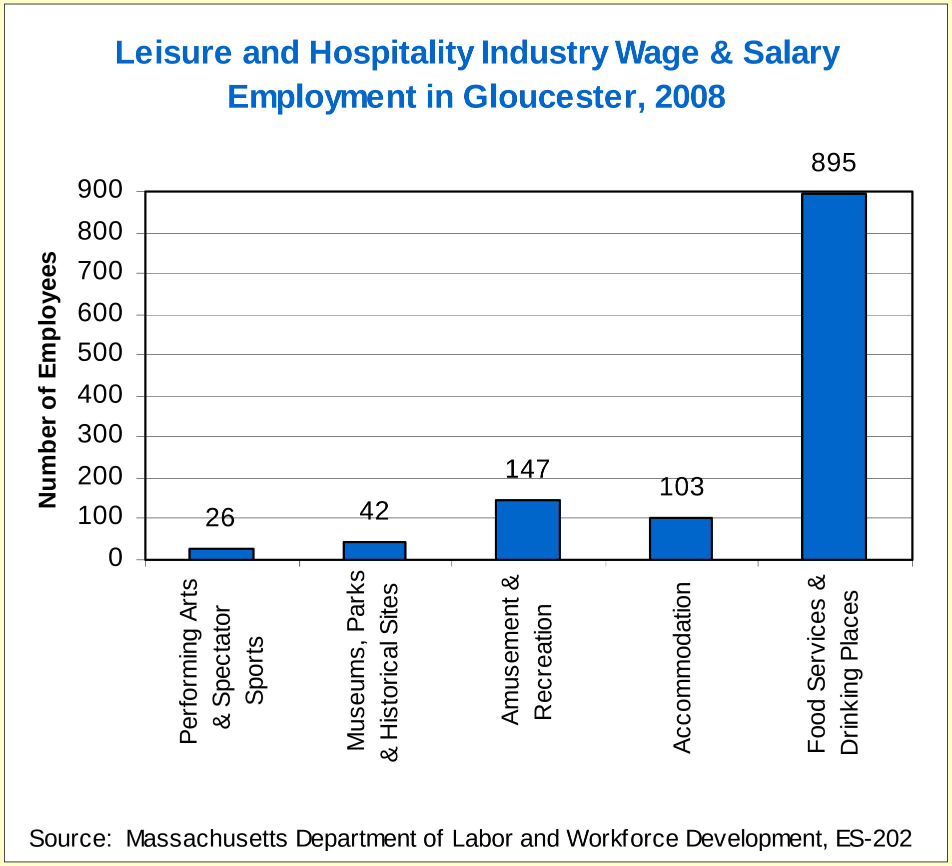


Key Assets

- Diversity of attractions – recreational, cultural, historical, & educational – key to visitor economy but presents “branding” challenge.
- Many attractions closely tied to maritime setting, economy, & history.
- “Authenticity” is a distinguishing feature.
- Harbor is central to the visitor economy.

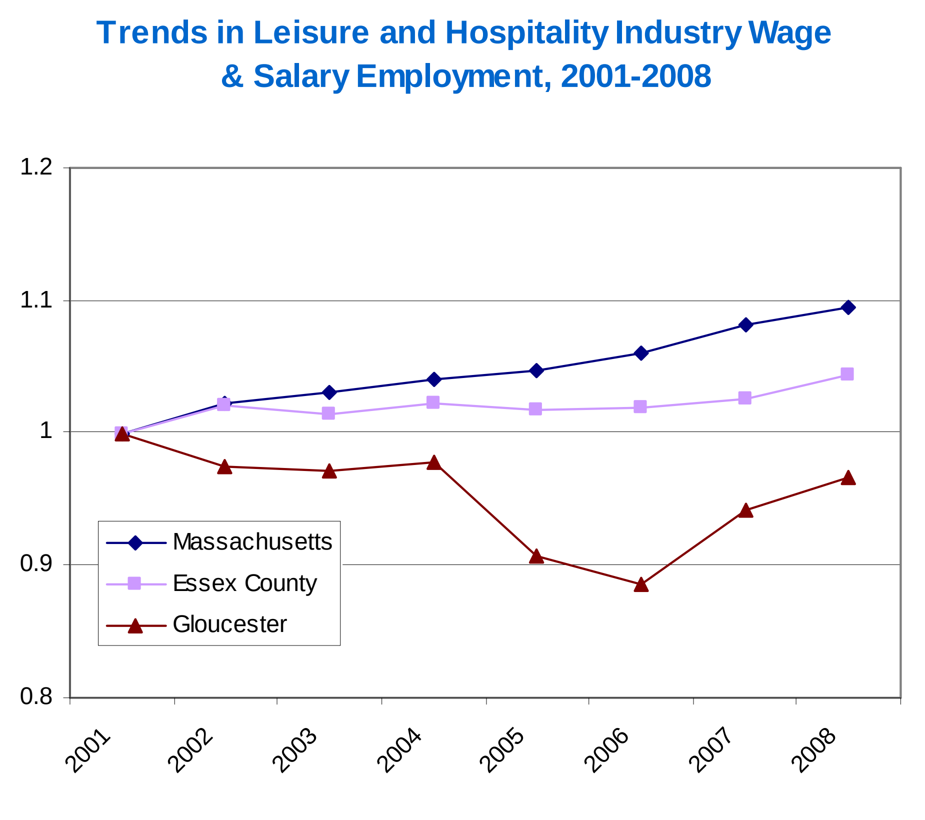
Leisure & Hospitality Employment

- Wage & salary employment 1,213 in 2008, 11.4% of total.
- 998 employed in accommodation & food services; 214 in arts, entertainment, & recreation.
- Generally low-paying, $372 weekly compared to $938 average.
- Not a complete picture of tourism employment.



Leisure & Hospitality Employment

- Gloucester employment has declined versus increases at county & state levels.
- Trends differ by industry segments:
  - arts, entertainment, & recreation grew by 25%.
  - accommodation & food services declined by 8%.



Source: Massachusetts Department of Labor and Workforce Development, ES-202

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Overview

Visitor Attractions

Market Trends

Opportunities & Challenges

Discussion Questions

Working Waterfront

- Visitors drawn to Gloucester to observe working waterfront, particularly the fishing fleet.
- Strong interest in “up close” viewing of activities such as fish-offloading, sale, & processing.
- Opportunities limited because of safety & security concerns.
- Exceptions include Cape Pond Ice & Harbor Tours lobstering trips.

Water-based Activities

- Deep sea fishing & fishing charters.
- Whale watches.
- Other boating excursions — scheduled cruises & custom charters.
- Recreational boating — five “grandfathered” marinas within DPA.

Maritime Heritage

- Attractions
  - Maritime Heritage Center: exhibits & demonstrations; nation's oldest continually operating marine railway; educational programs; approximately 30,000 visitors annually.
  - Schooner Adventure: last of its kind from the Gloucester fleet; when restored, year-round education programs, weekly sails, & private charters.
  - Schooner Lannon – daily sails & charters.
  - Downtown Historic District: historic & architecturally significant buildings.
  - Cape Ann & Sargent House museums: artistic, architectural, economic, & cultural heritage.

Maritime Heritage

- Events
  - St. Peter's Fiesta: honors patron saint of fishermen; traditional events & entertainment; New Fish Festival showcases locally-caught seafood; attracts 50,000-60,000 (late June).
  - Sail Gloucester: new event to bring in tall ships; seeking certification as official Tall Ship Port in order to draw grant dollars (4th of July holiday).
  - Schooner Festival: sailing races, vessel tours, maritime-related events & demonstrations, & art exhibits (Labor Day Weekend).

Maritime Heritage

- Private galleries offer arts & crafts products & exhibits related to city's maritime heritage (e.g., Gorvett/Gravure Gallery, American Marine Model Gallery, Local Colors Gallery, Flatrocks Gallery).
- Regional Essex National Heritage Area conducts programs to preserve & enhance region's historic, cultural, & natural resources; most ENHA Gloucester sites in or near harbor.

Arts & Culture

- Thriving arts community closely tied to natural beauty, working harbor, & maritime heritage; diversity of media & styles, both traditional & contemporary.
- seARTS estimates approximately 2,000 working Cape Ann artists.
- Rocky Neck Art Colony adjacent to DPA is nation's oldest continuously operating art colony:
  - 25 studios & galleries, North Shore Arts Association, Gloucester Stage Company, shops, restaurants, & lodging.
  - Events include Nights on the Neck, summer Residency Program, & winter exhibit.
  - Recently developed the Rocky Neck Historic Art trail with brochure & website.

Arts & Culture

- North Shore Arts Association:
  - 3 galleries with revolving exhibits.
  - 3 major annual exhibitions.
  - Sponsors demonstrations, workshops, classes, lectures, films, concerts.
- Growing number of downtown galleries, along with museums.
- Arts organizations support visitor economy through marketing, sponsorship & participation in events, & making harbor a setting for arts activities.
- Americans for the Arts study: almost 25% of attendees to city's arts events non-local.

Objectives

Overview

Visitor Attractions

Market Trends

Opportunities & Challenges

Discussion

Overview

- Nationally, tourism has experienced solid recent growth and shown surprising resilience in face of economic downturn.
- Historic & cultural tourism one of fastest growing industry segments & generates relatively high visitor spending.
- Water-based tourism activities have been declining at the national and state levels.

General Tourism

- U.S. domestic leisure travel increased by 19.5% between 1998 & 2008, & is expected to decline by only 1.4% in 2009.
- Travel expenditures in Massachusetts & Essex County increased by 20.4% & 11.8%, respectively, between 2000 & 2007.

Historic & Cultural Tourism

- Study of historic/cultural travelers found*:*
  - 81% of all adults who took at least one trip 50 miles or more from home included at least one historic/cultural activity or event.
  - 4 in 10 added extra time to trip because of historic/cultural activity.
  - Historic/cultural travelers spend about one-third more per trip than general travelers.

Recreational Boating

- U.S. adult participation in recreational boating declined between 1997 & 2005, before rebounding through 2008; still slightly below 1997peak.
- Number of boats in use remained essentially flat between 2003 & 2007.
- MA had 145,496 recreational boat registrations in 2007; decline of 7 percent from recent peak of 2003.
- Massachusetts Marine Trades Association estimates that between 130,000 & 195,000 MA residents go boating on average high-season weekend.

Recreational Fishing

- 298,000 saltwater anglers fished in MA for total of 3.1 million days during 2006; approximately 25% from out of state.
- Between 1996 & 2006, number of saltwater anglers declined by 31% & number of fishing days declined by 23%; number of anglers from out of state declined by 32%.
- Massachusetts ranks 9th among 23 coastal states in number of saltwater anglers.

Whale Watching

- Estimated 910,000 people on whale watches in New England in 2008 with average ticket cost of $38.
- Stellwagen Bank most popular whale watching location, accounting for 80% of whale watching in region.
- Major whale watching ports are Gloucester, Plymouth, Provincetown, & Boston.
- Average annual number of New England whale watchers declined by about 3% between 1998 & 2008; average ticket cost increased by $13.

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Overview

Visitor Attractions

Market Trends

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Discussion

Overview

- Increasing income & employment from the visitor economy will require attracting more visitors for longer periods.
- Actions can be taken to strengthen the visitor economy if community supports this objective.
- A comprehensive approach to tourism development involves research, product development, communication, infrastructure, education & training, & partnerships.

Overview

- Key opportunities & challenges include:
  - Leveraging & preserving Gloucester's authentic character.
  - Strengthening tourism marketing.
  - Enhancing & expanding visitor attractions.
  - Developing cruise ship market.
  - Improving harbor access & expanding services for recreational boaters.
  - Improving wayfinding, circulation & connectivity.
  - Developing lodging in close proximity to harbor.

Leveraging & Preserving Gloucester's Authentic Character

- Broad agreement that tourism must preserve Gloucester's authenticity.
- Emerging concept of "geotourism" provides framework for tourism development that maintains authentic character of working waterfront.
  - Sustains or enhances the geographical character of a place.
  - Incorporates concept of sustainable tourism.
  - Tourism revenue promotes conservation, culture, & history.
  - Appeals to visitors seeking quality experience & willing to pay more.
  - Engages local community in stewardship of local assets.
- Community has repeatedly demonstrated strong commitment to geotourism through heritage & cultural attractions & events.

Strengthening Tourism Marketing

- Several organizations involved in tourism marketing:
  - North of Boston Convention & Visitor Bureau & Essex National Heritage Area at regional level.
  - Cape Ann Chamber of Commerce.
  - Seaport Gloucester — first comprehensive visitor guide.
  - Volunteers maintain city's tourism website.
  - While Tourism Office lost paid staff, Stage Fort Park Visitor Center remains open.
  - Tourism Commission funded on one-time basis for marketing plan.

Strengthening Tourism Marketing

- Funds for local tourism marketing limited.
  - No dedicated annual public revenue source.
  - Most tourism businesses & organizations small & lack significant revenues to contribute.
  - Resources insufficient to undertake labor- & technology-intensive marketing activities.
- No consistent brand, theme, or look to integrate marketing efforts.

Enhancing & Expanding Visitor Attractions

- While harbor has strong & diverse base of attractions, additional attractions could draw more visitors.
- Ideas proposed by community members include:
  - More ways to observe working waterfront.
  - More boatbuilding demonstrations.
  - Commercial fishing vessel cruises.
  - Permanent public market.
  - Integrating more arts activities into local festivals.
  - More arts performance & exhibition space, & more work space for artists.
  - More shoulder season events.

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Enhancing & Expanding Visitor Attractions

- Examples from other harbor communities provide ideas for additional attractions:
  - New Bedford's Working Waterfront Festival — educates public about fishing community & area's cultural heritage.
  - Deep sea fishing tournaments.
  - Storytellers of local history at visitor gathering spots.
  - Arts education programs oriented to off-season visitors.
  - Teen cruises.

Developing the Cruise Ship Market

- Market trends indicate significant opportunity to expand cruise ship calls.
  - North American average annual passenger growth of 6.2% between 1990 & 2008.
  - Small ship cruises are fastest growing industry segment.
  - Several new ships will be serving U.S. East Coast.
  - New England's share of total U.S. passenger volumes increased from 5.8% in 1990 to 7.2% in 2008.
  - Cruise capacity in bed days in the Canada/New England market increased 69% between 2000 & 2009.
- Survey of cruise vacationers found that 40% returned to vacation at a destination first visited by cruise.

Developing the Cruise Ship Market

- Quality of shore excursions key to developing small cruise market.
  - o Decisions by cruise lines in selecting destinations are based in part on customer feedback received from past visits.
  - o Smaller ships look for personalized & unique demonstrations that are well-organized & "authentic."
- Area has many attractions for shore excursions.
- Some initial cruise lines did not return — may indicate problems with shore experience.
- Obtaining feedback from the cruise lines can help tourism industry prepare more effectively for future cruises.

Improving Access & Services for Recreational Boaters

- Better harbor access increases likelihood that recreational boaters will visit harbor.
- Limitations in harbor infrastructure discourage access.
  - Harbor at or near allowable limit for recreational boats; most marinas have long waiting lists.
  - Relatively few slips available for visiting transient boats & all are on opposite side of harbor from downtown.

Improving Access & Services for Recreational Boaters

- Suggestions to increase harbor access for recreational boaters include:
  - Make facilities built for commercial vessels available to recreational vessels for a short duration (e.g., one night).
  - Use temporary bottom-anchored floats or rafts.
  - Create additional dinghy tie-ups.
  - Consider locations just outside DPA.
  - Establish a launch service.
- Should not displace or conflict with waterfront's water-dependent activities.

Improving Access & Services for Recreational Boaters

- Additional services suggested for recreational boaters:
  - Delivery service to boats moored in open water.
  - Showering & laundering facility.
  - Resume printing and distribution of *Guide to Sailors Visiting Gloucester*, now only available online.

Improving Wayfinding, Circulation & Connectivity

- Navigating harbor & downtown difficult — disjointed layout, access limitations, & disparate location of attractions.
- Suggested solutions include:
  - Improving wayfinding signage.
  - Making Rogers St. more pedestrian friendly & creating connections between downtown & harbor.
  - Establishing harbor water shuttle.
  - Improving existing walkways & extending them where practical.
  - Creating more viewing points.
  - Increasing parking &/or shuttling visitors from remote sites.

Developing Lodging in Close Proximity to the Harbor

- Current inventory of 600 Cape Ann hotel rooms; tourism representatives consider this inadequate to support market for overnight visitors.
- Downtown could accommodate small number of “boutique” hotels. These would:
  - Enable visitors to walk to downtown & harbor attractions, & encourage them to stay longer.
  - Provide accommodations for group tours, small business meetings, & business travelers.
  - Make Gloucester more attractive point of embarkation for cruise ships.

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Discussion Questions

1. What opportunities does the visitor economy present for Gloucester residents & businesses?
2. What are the implications for:
   - The city's economy?
   - The city's quality of life?
   - The city's competitiveness?
3. What does it mean for the way we define & characterize our economy? Do we need to think differently about our economic engines/anchors?
4. What does it mean for how & where we invest in our economic future?

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Comments

We welcome your comments

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